

## Relations industrielles Industrial Relations



### Bray, Mark, and Nigel Haworth, eds., *Economic Restructuring and Industrial Relations in Australia and New Zealand: A Comparative Analysis*

Clive H.J. Gilson

Volume 48, numéro 4, 1993

URI : <https://id.erudit.org/iderudit/050908ar>

DOI : <https://doi.org/10.7202/050908ar>

[Aller au sommaire du numéro](#)

#### Éditeur(s)

Département des relations industrielles de l'Université Laval

#### ISSN

0034-379X (imprimé)

1703-8138 (numérique)

[Découvrir la revue](#)

#### Citer ce compte rendu

Gilson, C. H. (1993). Compte rendu de [Bray, Mark, and Nigel Haworth, eds., *Economic Restructuring and Industrial Relations in Australia and New Zealand: A Comparative Analysis*]. *Relations industrielles / Industrial Relations*, 48(4), 791–793. <https://doi.org/10.7202/050908ar>

Tous droits réservés © Département des relations industrielles de l'Université Laval, 1993

Ce document est protégé par la loi sur le droit d'auteur. L'utilisation des services d'Érudit (y compris la reproduction) est assujettie à sa politique d'utilisation que vous pouvez consulter en ligne.

<https://apropos.erudit.org/fr/usagers/politique-dutilisation/>

Érudit

Cet article est diffusé et préservé par Érudit.

Érudit est un consortium interuniversitaire sans but lucratif composé de l'Université de Montréal, l'Université Laval et l'Université du Québec à Montréal. Il a pour mission la promotion et la valorisation de la recherche.

<https://www.erudit.org/fr/>

dans la première édition, l'ouvrage est accompagné d'une table des matières et d'un index très détaillés, d'une bibliographie et d'une table de la jurisprudence.

En somme, les auteurs nous proposent un ouvrage de droit positif utile et bien fait. Cependant, leur ouvrage laisse encore de la place à ceux qui voudront procéder à une analyse plus approfondie, plus critique ou plus institutionnelle du droit québécois de la santé et de la sécurité au travail.

Gilles TRUDEAU

Université de Montréal

**Economic Restructuring and Industrial Relations in Australia and New Zealand: A Comparative Analysis**, edited by Mark BRAY and Nigel HAWORTH, ACIRRT Monograph No. 8, University of Sydney, 1993, 155 p., ISBN 0-86758-765-2

The convergence or divergence of national industrial relations systems continues to attract the attention of industrial relations scholars. And rightly so. While the North American version, which offers Canada and the U.S. as the closely matched pairs, reveals increasingly vociferous disagreement as to whether convergence is inexorable and inevitable, the antipodean variant, featuring Australia and New Zealand offers an even more dramatic contrast. Based on a conference held in Sydney in 1991, editors Mark Bray and Nigel Haworth have assembled six Chapters which explore how two previously matched pairs have, in the last decade or so, embarked on a helter skelter of economic and industrial relations restructuring which has changed the morphology of the institutions of the labour market. The importance of developing a comparative perspective between Australia and New Zealand is given weight because the rate of change — the steepness of the slope is radically different for both countries.

In the first Chapter, Bray and Haworth provide the reader with a useful guide to each of the six contributions. They achieve this by way of developing a conceptual map which sets out to show how Australia and New Zealand shared much common when it came to regulating labour markets and more importantly how these respective systems are now on a divergent path. Since the turn of the century both relied on a central conciliation and arbitration system to regulate the employment relationship. We learn that since the early 1970's, New Zealand has inexorably followed a deregulationist supply side shift in its public policy. Australia, meanwhile has doggedly retained significant attachments to central control over industrial relations and economic planning. The book is essentially an attempt to track and account for this recent divergence.

For the cursory reader, the opening Chapter gives immediate access to understanding the ebb and flow of these developments. Each of the succeeding Chapters develop and amplify the themes. In Chapter 2, Castle and Haworth trace the external economic pressures which have forced both countries to jettison protectionism as an economic strategy. They argue that with greater industrial diversity, a stronger Labour Party, tied to the ACTU, the peak council of Australian Unions, and a more elaborate series of checks and balances inherent to a federal system of government, Australia was able to and continues to cling to neo-corporatist strategies. In contrast, New Zealand,

had by 1990, responded to external pressures with a "no-alternative solution," and accordingly propelled itself headlong into laissez-faire non-interventionist policies. Executive power, greater dependence on the primary producing sector and rural anti-collectivism are offered as important reasons for this dramatic shift taking place.

In Chapter 3, Mitchell and Wilson describe how these developments are reflected in legislative changes. While Australia is characterized as practising managed decentralism with limited legislative intervention, the New Zealand experience, culminating in the Employment Contracts Act 1991, essentially sought to dismantle all forms of central control, to be replaced with voluntary bargaining agents in local establishments which may or may not be defined by traditional trade union representation. Mitchell and Wilson also point to the unstable nature of these initiatives and the likelihood of changes in either direction, i.e. further de-regulation or re-centralization, depending on the political winds of the day. However, the re-election of a Labour administration under Paul Keating, subsequent to the publishing of this Monograph, would suggest a greater degree of stability in Australia.

In the next Chapter, Brosnan and Burgess offer a more detailed account of domestic changes to labour markets, wrought by the onset of international competition. Unfortunately, this contribution, although interesting on its own terms, is not complementary to the rest of the Monograph. Rather than exploring the causes of divergence, and thus adding weight to such a model, Brosnan and Burgess chose to assess the impact of the Australian Accord arrangements — judged as a relative success, whereas the wholesale adoption of supply side economics in New Zealand is judged as an unmitigated disaster — especially for those trapped in the secondary labour market.

Returning to the search for accounting for divergence, Plowman and Street (Chapter 5), suggest that one of the key pieces of the model is the different responses of employers. They argue that New Zealand employers had, by the late 1980's, achieved consensus around the superiority of de-regulating employment related institutions. In contrast, Australian employers, showing a good deal of diversity in their thinking, had far from adopted the pure market model which appeared to offer the breathtaking utility of market clearing. Allied to these observations, Plowman and Street suggest that the role of each countries' Labour Party either encouraged or fettered employers attempts to coalesce around classical economic thinking.

Finally, in Chapter 6, Bray and Walsh, exploring the opposite side of the coin, suggest that it was the Australian unions strong relationship with the Labour party in the Accord process which pre-empted more draconian measures from being adopted, whereas in New Zealand, the CTU's inability to influence the post 1984 Labour government heralded the adoption of the employers (united) agenda. And the continued dismantling of arbitration principles throughout the 1970's and 1980's is also offered as a causal factor in the inability of the CTU to oppose the wholesale de-centralization of the labour market.

Overall this is a very useful introductory volume which seeks to employ the comparative method as a means to understanding changes in the way the employment relationship is regulated. Bray and Haworth can be commended for alerting the reader (particularly non-antipodean readers who want to obtain some grounding in other industrial

relations systems) to a number of possible explanations for divergence between systems which were once closely matched. At the same time however, it should be noted that a model which accounts thoroughly for divergence between systems remains elusive. Size of labour market, greater industrial diversification, employer strategies, and union influence on Labour Parties are all offered as potential reasons for a parting of the Tasman waves. Unfortunately, without an *explicit* attempt to theorize these developments, one is left wondering what the key explanatory variable(s) really is. Nevertheless, for scholars who wish to address this question, this Monograph clearly offers a constructive point of departure.

Clive H.J. GILSON

St. Francis Xavier University

**Employment Contracts: New Zealand Experiences**, edited by Raymond HARBRIDGE, Wellington, Victoria University Press, 1993, 253 p. ISBN 0-86473-241-4.

For the past 10 years, New Zealand has been in the grip of strident neoconservatism which has outlasted and surpassed Thatcherism. First under Labour and then a National government, New Zealand has endeavoured to marketize itself by deregulating, abolishing subsidies, selling state-owned enterprises and unravelling the social safety net. Shortly after the election of the National government in 1990, *The Economist* noted that the only significant remaining area for deregulation in New Zealand was the labour market. Labour had supported unionism and collective bargaining.

This book addresses the National Party government's drive to restructure industrial relations by passing the *Employment Contracts Act*, 1991. This experiment has made New Zealand a public policy laboratory for those who are interested in observing the implementation of a vision which is as precipitous a departure from the past as the one some one hundred years earlier in which it pioneered conciliation, compulsory arbitration and social partnerships. Harbridge and Hince observe that the Act decollectivizes or individualizes bargaining, decentralizes it to the enterprise level, and de-unionizes industrial relations. The Act does not use the word "union". Unions lost their exclusive rights to represent employees and the institutional underpinnings of the old regime were abolished, e.g. the Arbitration Commission and Trade Union Education Authority.

Walsh and Ryan discuss the political and policy making processes by which a powerful business lobby and its ideological cohorts in Treasury pushed toward and came up only slightly short of ending state involvement in the functioning of the labour market. Employment contracts are now treated in ways that are nearly indistinguishable from other common law contracts. Vestiges of the old order remain in special labour legislation dealing with contract mediation and arbitration which authors predict will be expunged if National is returned to power.

Assessing the Act's short term impact, Harbridge concludes that predictions that primary sector workers' conditions would improve, while those of secondary workers would deteriorate, appear to have been accurate. Some 45% of the previously unionized workforce (approximately 336,000 workers) in several sectors have been